GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2557
ANSWERED ON:18.03.2005
FAKE STAMP PAPERS
Rao Shri Sambasiva Rayapati

Will the Minister of FINANCE be pleased to state:

(a) whether due to the fake stamp papers operating in various States for the last several years Government has taken certain strict norms to check the fake stamp papers sale in the Country;

(b) if so, whether these fake stamp paper sale while in operation in almost all the States;

(c) if so, whether the CBI has already submitted various reports in this regard;

(d) if so, the details of the same; and

(e) the steps Government proposes to take to check the fake stamp paper sale which is incurring a loss of thousands of crores to the exchequer?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM):

(a) Yes, Sir.

(b) The fake stamp paper sale was in operation in some of the States.

(c) and (d) CBI has registered 64 cases out of which investigations in 20 cases have been completed and the remaining 44 cases are pending at different stages of investigation. CBI`s investigations in the 64 cases has resulted in filing charge sheets against 149 accused persons so far. Some accused have been charge sheeted in more than one case.

(E) The following measures and steps have been taken by the Government to check the recurrence of fake stamp paper sale:-

Based on the recommendations of the Working Group to review the security features of Non-Judicial Stamp Paper (NJSP) constituted in the Ministry of Finance, additional security features have been approved for incorporation in stamp papers. The new security features, which are being introduced in a phased manner, will make counterfeiting difficult.

Two meetings of State Revenue Secretaries were held in the Ministry of Finance to discuss the proposals for initiating modern methods of revenue collection and other related issues

IFCI is assisting the Government of India to put in place a pilot project for de-matting of Stamp paper. The system will be in operation in 10-12 cities initially; and

The Stamp Act has been amended to facilitate modern methods of revenue collection. All the States/Union Territories have been requested to send to the Governmant of India a time-bound programme to introduce fool-proof modern methods of revenue collection.